

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01944A
Lago Del Oro Water Company
9532 E. Riggs Rd.
Sun Lakes, AZ 85248

RECEIVED

MAY 23 2011

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
-----------	-----------	-------------

FOR COMMISSION USE

ANN 04	10
---------------	-----------

5-4-11

COMPANY INFORMATION

Company Name (Business Name) Lago Del Oro Water Company

Mailing Address 9532 E. Riggs Rd.
(Street)

Sun Lakes
(City)

AZ
(State)

85248
(Zip)

(480) 895-4200

Telephone No. (Include Area Code)

(480) 895-5455

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 40004 S. Ridgeview Blvd.
(Street)

Tucson
(City)

AZ
(State)

85739
(Zip)

(520) 825-3423

Local Office Telephone No. (Include Area Code)

(520) 825-0712

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management Contact:** Steve Soriano Vice President / General Manager
(Name) (Title)

9532 E. Riggs Rd.
(Street)

Sun Lakes
(City)

AZ
(State)

85248
(Zip)

(480) 895-4200

Telephone No. (Include Area Code)

(480) 895-5455

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email

Address steve.soriano@robson.com

On Site Manager: Ed MacMeans
(Name)

40004 S. Ridgeview Blvd.
(Street)

Tucson
(City)

AZ
(State)

85739
(Zip)

(520) 825-3423

Telephone No. (Include Area Code)

(520) 825-0712

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email

Address ed.macmeans@robson.com

Statutory Agent: _____		James Hubbard	
		(Name)	
9532 E. Riggs Rd.	Sun Lakes	AZ	85248
(Street)	(City)	(State)	(Zip)
(480) 895-4200	(480) 895-0136		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Attorney: _____		Marty Aronson	
		(Name)	
One Camelback Rd.	Phoenix	AZ	85012
(Street)	(City)	(State)	(Zip)
(602) 263-2972			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|---|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input checked="" type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME Lago Del Oro Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	42,608		42,608
303	Land and Land Rights			
304	Structures and Improvements	184,226	69,903	114,323
307	Wells and Springs	1,920,140	1,145,229	774,911
311	Pumping Equipment	2,367,960	1,241,811	1,126,149
320	Water Treatment Equipment	5,990	2,885	3,105
330	Distribution Reservoirs and Standpipes	3,035,937	1,454,918	1,581,019
331	Transmission and Distribution Mains	3,939,726	2,301,909	1,637,817
333	Services	1,555,285	784,540	770,745
334	Meters and Meter Installations	533,092	295,184	237,908
335	Hydrants	529,511	334,683	194,828
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	41,249	20,721	20,528
341	Transportation Equipment	88,849	40,863	47,986
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	111,584	73,262	38,322
346	Communication Equipment	270,179	152,695	117,484
347	Miscellaneous Equipment	43,618	24,415	19,203
348	Other Tangible Plant			
	TOTALS	14,669,954	7,943,018	6,726,936

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	42,608		
303	Land and Land Rights			
304	Structures and Improvements	184,226	4.89	9,015
307	Wells and Springs	1,920,140	4.75	91,243
311	Pumping Equipment	2,367,960	4.26	100,909
320	Water Treatment Equipment	5,990	3.99	239
330	Distribution Reservoirs and Standpipes	3,035,937	4.61	139,969
331	Transmission and Distribution Mains	3,939,726	4.09	161,174
333	Services	1,555,285	4.49	69,839
334	Meters and Meter Installations	533,092	4.44	23,653
335	Hydrants	529,511	4.39	23,224
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	41,249	4.07	1,679
341	Transportation Equipment	88,849	5.00	4,442
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	111,584	4.86	5,428
346	Communication Equipment	270,179	4.89	13,217
347	Miscellaneous Equipment	43,618	4.75	2,070
348	Other Tangible Plant			
	TOTALS	14,669,954	4.40	646,101

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$23,446	\$21,806
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	151,828	153,710
146	Notes/Receivables from Associated Companies	40,853	73,864
151	Plant Material and Supplies		
162	Prepayments	166,304	3,664
174	Miscellaneous Current and Accrued Assets	80,829	131,456
	TOTAL CURRENT AND ACCRUED ASSETS	\$463,260	\$384,500
	FIXED ASSETS		
101	Utility Plant in Service	\$14,480,274	\$14,669,954
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(7,283,498)	(7,943,018)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$7,196,776	\$6,726,936
	TOTAL ASSETS	\$7,660,036	\$7,111,436

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$67,504	\$77,334
232	Notes Payable (Current Portion)	552,000	326,966
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	218,784	181,924
236	Accrued Taxes	124,726	64,317
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	19,630	23,001
	TOTAL CURRENT LIABILITIES	\$982,644	\$673,542
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$326,966	\$0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	544,616	542,504
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	625,978	625,978
272	Less: Amortization of Contributions	(414,611)	(428,030)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$755,983	\$740,452
	TOTAL LIABILITIES	\$2,065,593	\$1,413,994
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$150,500	\$150,500
211	Paid in Capital in Excess of Par Value	4,322,625	4,322,625
215	Retained Earnings	1,121,318	1,224,317
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$5,594,443	\$5,697,442
	TOTAL LIABILITIES AND CAPITAL	\$7,660,036	\$7,111,436

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$1,887,471	\$1,861,973
460	Unmetered Water Revenue		
474	Other Water Revenues	14,899	13,503
	TOTAL REVENUES	\$1,902,370	\$1,875,476
	OPERATING EXPENSES		
601	Salaries and Wages	\$166,448	\$187,810
610	Purchased Water		
615	Purchased Power	476,963	481,671
618	Chemicals	9,977	16,081
620	Repairs and Maintenance	69,256	64,418
621	Office Supplies and Expense		
630	Outside Services	61,933	54,883
635	Water Testing	32,243	23,010
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	27,876	27,625
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	77,822	71,062
403	Depreciation Expense	619,534	646,101
408	Taxes Other Than Income		
408.11	Property Taxes	107,046	109,357
409	Income Tax	96,592	71,480
	TOTAL OPERATING EXPENSES	\$1,745,690	\$1,753,498
	OPERATING INCOME/(LOSS)	\$156,680	\$121,978
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$20,182	\$378
421	Non-Utility Income	3,014	1,786
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(40,598)	(21,145)
	TOTAL OTHER INCOME/(EXPENSE)	\$(17,402)	\$(18,981)
	NET INCOME/(LOSS)	\$139,278	\$102,997

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	07/27/06	07/27/09		
Source of Loan	CB&T	APM		
ACC Decision No.	62845	62845		
Reason for Loan	Plant Additions	Refinance		
Dollar Amount Issued	\$2,764,966	\$1,154,966	\$	\$
Amount Outstanding	\$0	\$326,966	\$	\$
Date of Maturity	07/27/09	11/17/11		
Interest Rate	Prime	Prime	%	%
Current Year Interest	\$0	\$20,587	\$	\$
Current Year Principle	\$0	\$552,000	\$	\$

Meter Deposit Balance at Test Year End \$181,924

Meter Deposits Refunded During the Test Year \$51,160

COMPANY NAME Lago Del Oro Water Company

Name of System:

ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
See Attached						

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
See Attached		391	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
See Attached		See Attached	

Note: If you are filing for more than one system, please provide separate sheets for each system.

Lago Del Oro Water Company
Water Company Plant Descriptions
December 31, 2010

Wells:

ADWR ID No.	Pump Horsepower	Pump Yield (gpm)	Casing Depth (feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled	Well #	POE	Arsenic Levels (PPM)
55-613452	75	560	804	16	6	1963	Well # 1	POE 001	<0.002
55-613459	2	15	241	8	1	1973	Well # 3	POE 003	<0.002
55-613454	150	350	800	16	8	1963	Well # 4	POE 004	<0.002
55-613455	15	75	300	10	3	1972	Well # 5	POE 005	<0.002
55-613456	30	120	450	8	3	1973	Well # 6	POE 006	<0.002
55-613460	10	25	495	8	2	1972	Well # 7	POE 007	<0.002
55-613457	8	120	225	8	3	1972	Well # 8	POE 008	<0.002
55-613458	3	35	609	8	1	1981	Well # 11	POE 003	<0.002
55-623397	15	70	310	10	2	1971	Well # 13	POE 013	<0.002
55-518207	200	1,385	800	16	8	1987	Well # 14	POE 014	<0.002
55-526451	200	1,000	804	16	8	1990	Well # 15	POE 015	<0.002
55-547494	300	1,300	959	16	10	1996	Well # 16	POE 004	<0.002
55-548874	200	1,100	1,100	16	10	1995	Well # 17	POE 017	<0.002
55-548873	100	330	1,109	16	6	1996	Well # 18	POE 017	<0.002
55-573651	150	490	1,200	20	6	1999	Well # 19	POE 019	<0.002
55-206036	250	1,200	1,340	16	10	2005	Well # 22	POE 019	<0.002

Other Water Sources:

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
---------------------	-------------------	---

Booster Pumps:

Horsepower	Quantity
75	3
50	2
40	2
30	6
20	6
15	4
10	2
5	4
3	1

Fire Hydrants:

Type	Quantity
Standard	391
Other	

Storage Tanks:

Capacity	Quantity
500,000	2
250,000	2
200,000	1
100,000	1
12,000	3

Pressure Tanks:

Capacity	Quantity
15,000	1
10,000	2
6,000	2
2,000	6
1,000	3

COMPANY NAME Lago Del Oro Water Company

Name of System:

ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	5,943
3	PVC	20,497
4	PVC	86,007
5		
6	PVC	163,648
8	PVC	122,222
10	PVC	23,676
12	PVC	4,903

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	6,262
1	77
1 1/2	18
2	57
Comp. 3	4
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	4
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Lago Del Oro Water Company	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	6,436	50,487	51,409	0
FEBRUARY	6,448	38,557	35,450	0
MARCH	6,446	38,709	30,582	0
APRIL	6,445	59,681	60,856	0
MAY	6,443	75,603	81,528	0
JUNE	6,446	106,149	118,443	0
JULY	6,455	90,343	90,673	0
AUGUST	6,469	78,581	80,934	0
SEPTEMBER	6,473	74,315	85,919	0
OCTOBER	6,478	76,532	77,851	0
NOVEMBER	6,485	59,668	63,667	0
DECEMBER	6,486	43,987	58,577	0
TOTALS →		792,612	835,889	0

What is the level of arsenic for each well on your system? See Attached mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1,250 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☒ (X) Yes ☐ () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☒ (X) Yes ☐ () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☒ (X) Yes ☐ () No

If yes, provide the GPCPD amount: 231 (2000)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Lago Del Oro Water Company	
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	8	0
FEBRUARY	0	0	0
MARCH	0	12	0
APRIL	0	10	0
MAY	0	13	0
JUNE	0	8	0
JULY	0	4	0
AUGUST	0	5	0
SEPTEMBER	0	11	0
OCTOBER	0	14	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	85	0

OTHER (description):

COMPANY NAME Lago Del Oro Water Company YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 108,202.86

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED

APR 13 2011

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Maricopa
NAME (OWNER OR OFFICIAL) TITLE	Steve Soriano – Vice President/General Manager
COMPANY NAME	Lago Del Oro Water Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

(480) 895-4200

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

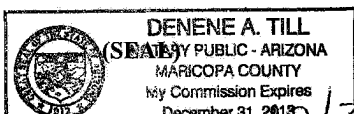
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

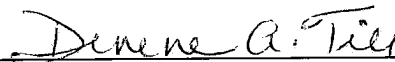
28

DAY OF

COUNTY NAME	Maricopa	
MONTH	April	2011



MY COMMISSION EXPIRES 12/31/13



SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Lago Del Oro Water Company YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>300,744</u>
Estimated or Actual Federal Tax Liability	<u>102,253</u>

State Taxable Income Reported	<u>285,003</u>
Estimated or Actual State Tax Liability	<u>19,854</u>

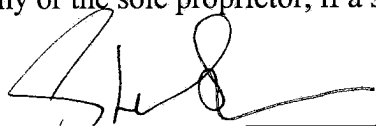
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4-28-11

DATE

Steve Soriano

PRINTED NAME

Vice President/General Manager

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
MAY 08 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) TITLE <u>Steve Soriano – Vice President/General Manager</u>	
COMPANY NAME <u>Lago Del Oro Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

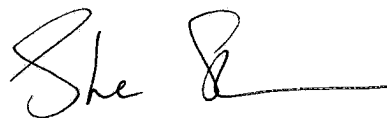
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 2,016,220

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 140,179
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**



SIGNATURE OF OWNER OR OFFICIAL

(480) 895-4200

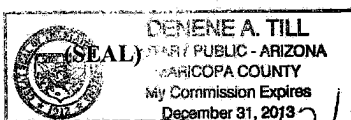
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 28 **DAY OF**

COUNTY NAME <u>Maricopa</u>	
MONTH <u>April</u>	20 <u>11</u>



MY COMMISSION EXPIRES 12/31/13


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

MAY 02 2011

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

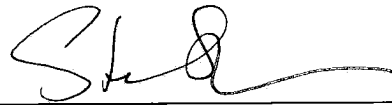
\$ 1,774,382

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 118,190

IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**



SIGNATURE OF OWNER OR OFFICIAL

(480) 895-4200

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

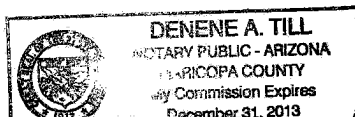
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

28

DAY OF

(SEAL)



MY COMMISSION EXPIRES

12/31/13

NOTARY PUBLIC NAME

Denene A. Till

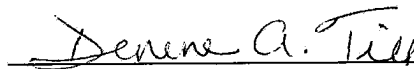
COUNTY NAME

Maricopa

MONTH

April

.2011



SIGNATURE OF NOTARY PUBLIC